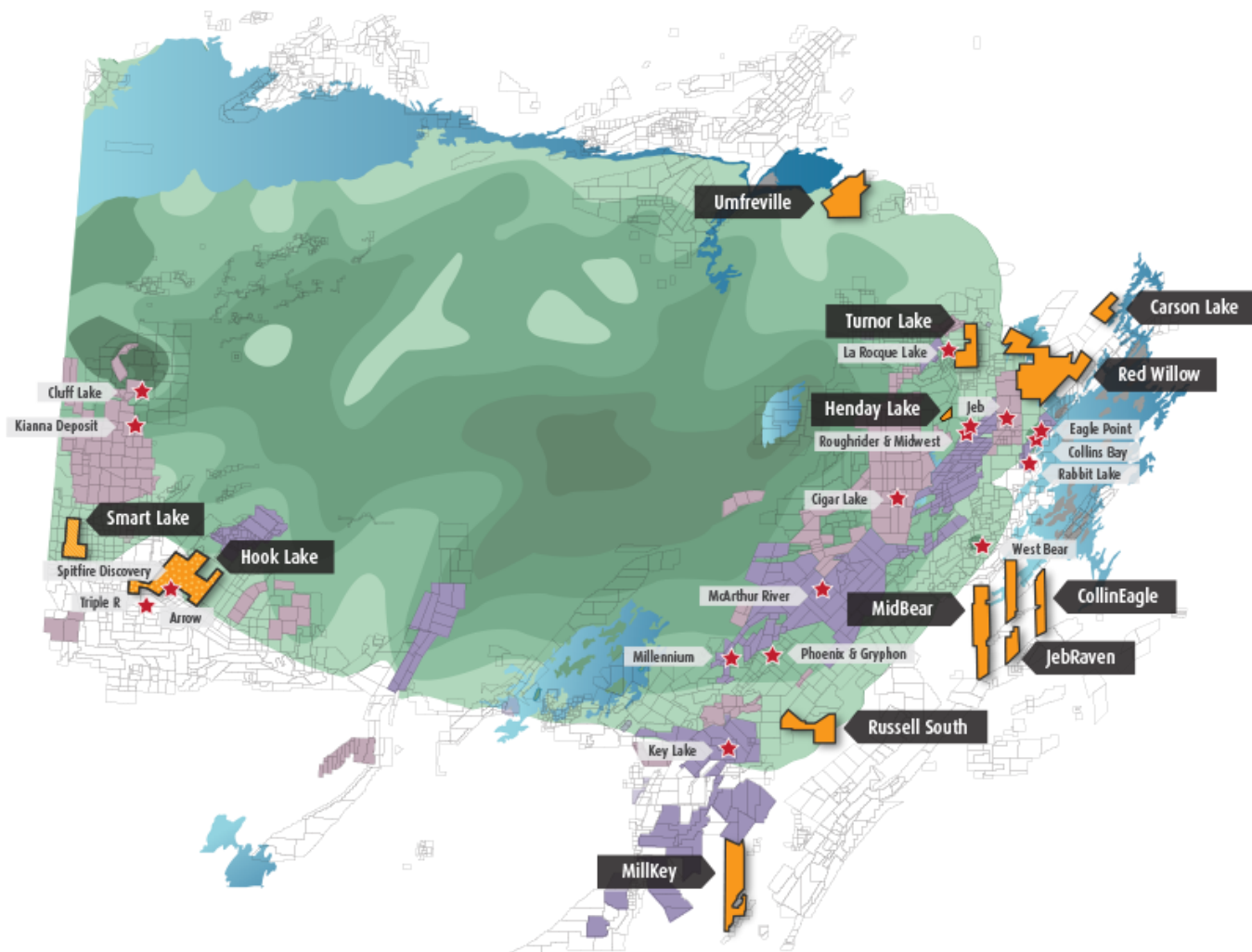


Management’s Discussion and Analysis  
 for the quarter ended September 30, 2021



Dated: November 29, 2021

The following discussion and analysis is management's assessment of the results and financial condition of Purepoint Uranium Group Inc. ("Purepoint" or the "Company") and should be read in conjunction with the consolidated audited financial statements for the year ended December 31, 2020, together with the related notes contained therein. The Company's most recent filings are available on the SEDAR website. The date of this management's discussion and analysis is November 26, 2021.

The interim financial statements for the three- and nine-month periods ended September 30, 2021 and 2020 are prepared in accordance with International Accounting Standard ("IAS") 34 under International Financial Reporting Standards ("IFRS").

### **COVID-19 outbreak**

Subsequent to 2019 year-end, there was a global outbreak of COVID-19 (coronavirus), which had a significant impact on businesses through restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolations/quarantine orders. At this time the global outbreak of coronavirus has had no significant impact on the Company's ongoing business operations.

### **Forward looking statements**

Certain information included in this discussion may constitute forward-looking statements. Forward-looking statements are based on current expectations and various risks and uncertainties. These risks and uncertainties could cause or contribute to actual results that are materially different than those expressed or implied. The Company disclaims any obligation or intention to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

### **Business of Purepoint**

Purepoint maintains a focused objective of locating uranium deposits in the Athabasca Basin in Northern Saskatchewan. Purepoint currently maintains 12 properties located in the Athabasca Basin. The Company entered into joint venture agreements and operates one of these projects with Cameco Corporation and Orano Canada Inc. (formerly AREVA Resources Canada Inc.), one of these projects with Cameco Corporation, while the other ten projects remain 100% owned. Saskatchewan's Athabasca Basin now provides approximately 25% of the world's uranium production credited primarily to that region's unusually high ore grade deposits.

The 2021 operating plan is discussed under Exploration Activities.

## Selected quarterly information

The following selected information is derived from the audited annual and unaudited quarterly consolidated financial statements.

	Quarter ended September 30, 2021	Quarter ended June 30, 2021	Quarter ended March 31, 2021	Quarter ended December 31, 2020	Quarter ended September 30, 2020	Quarter ended June 30, 2020	Quarter ended March 31, 2020	Quarter ended December 31, 2019
Net loss	(597,940)	(2,538,776)	(381,161)	(313,906)	(170,729)	(592,384)	(379,076)	(216,925)
Net loss per share	(0.00)	(0.01)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Total assets	4,793,045	5,426,110	2,123,774	2,518,243	370,320	543,896	1,014,644	1,695,213

## Results of operations

The Company's operations during the three- and nine-month periods ended September 30, 2021 produced a net loss of \$597,940 and \$3,517,876 (2020 - \$170,729 and \$1,142,189). The primary operational activity continues to be the exploration of the Company's major projects. The expenditures and levels of activity relating to the Company's projects are described in greater detail below following a brief discussion of significant changes in expense line items.

Exploration and evaluation expenditures for the three- and nine-month periods ended September 30, 2021 amounted to \$355,286 and \$1,961,620 (2020 - \$20,552 and \$455,257). Increase of \$334,734 and \$1,506,363 is primarily the result of an increase in operational activities on the Company's 100% owned projects, specifically drilling at Red Willow and Umfreville properties - see Exploration and evaluation expenditures.

Exploration salaries and benefits for the three- and nine-month periods ended September 30, 2021 amounted to \$102,613 and \$378,865 (2020 - \$50,527 and \$246,172).

Share based payments in the amount of \$931,524 (2020 - \$408,711) have been recognized during the nine-month periods ended September 30, 2020. On May 13, 2021 the Company granted 8,400,000 stock options at an exercise price of \$0.13 per option, vesting immediately. On April 27, 2020 the Company granted 6,650,000 stock options at an exercise price of \$0.07 per option, vesting immediately. Fair value assigned to new grants was expensed in the same period when granted.

Investor relations increased by \$48,619 and \$113,350 compared to the three- and nine-month periods ended September 30, 2020 and is attributable to the retaining of a new investor relations firm and generally higher marketing activities related to private placement in 2021.

Professional fees increased by \$19,412 and \$29,876 compared to the three- and nine-month periods ended September 30, 2020 and is attributable to increased legal fees related to the preparation of new bylaws and rights plan for the company's 2021 Annual General Meeting.

Transfer agent and filing fees increased by \$22,154 and \$43,502 compared to the three- and nine-month periods ended September 30, 2020 and is primarily attributable to the application and approval of an OTCQB listing in the United States.

General and administration decreased by \$7,274 and \$33,298 compared to the three- and nine-month periods ended September 30, 2020 and is attributable to reduced Toronto office rent expenses.

Other expenses were comparable to the same periods in 2020.

Operator fees and other expense recoveries with respect to joint projects for the three- and nine-month periods ended September 30, 2021 amounted to \$64,727 and \$293,016 (2020 - \$Nil and \$310,733).

## Exploration Review

### Exploration and evaluation expenditures

The Company incurred \$355,286 and \$1,961,620 (2020 - \$20,552 and \$455,257) in exploration and evaluation expenditures on its properties during the three- and nine-month periods ended September 30, 2021 and 2020, as follows:

	2021		2020	
	Three months	Nine months	Three months	Nine months
Red Willow Property	\$ 56,106	\$ 954,434	\$ -	\$ 585
Hook Lake Property	4,298	291,443	20,552	409,807
Smart Lake Property	-	-	-	585
Turnor Lake Property	-	520	-	585
Umfreville Property	270,638	632,335	-	23,085
Henday Lake Property	24,244	24,244	-	585
Other Properties	-	58,644	-	20,025

### Recent Highlights

Exploration activities during the three- and nine-month periods ended September 30, 2021 included:

1. The completion of a 2,556 metre, 3-hole diamond drill program at the Hook Lake project - a Joint Venture with Cameco Corp. and Orano Canada Inc.
2. The completion of a 1,335 metre 6-hole diamond program at the Red Willow project. Red Willow's Geneva shear returned 0.012 per cent  $U_3O_8$  over 5.5 metres and an additional 0.06 per cent  $U_3O_8$  over 0.4 metre from drill hole GEN21-05.
3. The completion of an initial drill hole at the Umfreville project (UMF21-01) which returned 3.1 metres of anomalous uranium (0.013 per cent triuranium octoxide ( $U_3O_8$ )) including 0.8 metre at 0.04 per cent  $U_3O_8$ . The Company staked additional property to the south and east enlarging the project to 26,139 hectares.
4. The announcement of a drill program at the Henday Lake project where Purepoint expects to complete five initial diamond drill holes at an average depth of approximately 450 to 500 metres each. The program will continue into December.

## **Exploration Activities**

### **2020 Winter Exploration Programs at Hook Lake**

On February 25th and May 6th, 2020, Purepoint released updates on the 2019/2020 winter exploration program at Hook Lake.

#### **Highlights:**

- Seven diamond holes for 3,659 metres of drilling and five lines of stepwise-moving loop EM completed.
- Hole HK20-115 encountered strong hydrothermal clay and hematite alteration associated with graphitic shearing along the "W" conductor, approximately 3.5 kilometers along strike of previous drilling.
- An electromagnetic (EM) geophysical survey was completed and consisted of five lines of stepwise-moving loop EM surveying, 800 metres apart. The survey provided initial targets covering 4 kilometres of conductor strike length northeast of last year's hole HK19-105 that intersected numerous shear zones, strong hydrothermal alteration and elevated radioactivity (up to 125 ppm U over 0.3 metres).
- The 2020 EM survey covered the edge of a gravity high identified by the 2019 airborne gravity survey, funded by the Targeted Geoscience Initiative (TGI). The gravity high edge is considered to reflect a lithologic contact, possibly providing a zone of weakness and structural traps for focusing uranium-rich fluids.
- Interpretation of the Tilt Derivative of the airborne magnetic results suggests destruction of the magnetic response in the area of the 2020 EM survey, possibly due to hydrothermal alteration.

### **2021 Winter Exploration Program at Hook Lake**

On January 28, 2021 Purepoint announced the commencement of its 2021 diamond drill program on the Saber Zone at Hook Lake. The completion of the program was announced on March 30, 2021 and on May 11th, 2021 Purepoint released the results of that program.

#### **Highlights:**

- Three diamond holes were completed and one hole was lost for a total of 2,556 metres of drilling.
- Drill holes HK21-117A and 118, drilled in the vicinity of previous hole HK20-115, encountered wide intervals of strong to intense silicification beginning at the unconformity and the targeted electromagnetic (EM) conductors for both holes were explained by graphitic shear zones.
- HK21-118 intersected 134 ppm U over 0.7 metres at the contact between strongly silicified granodiorite and a graphitic shear; a favourable setting for basement-hosted uranium mineralization.
- Hole HK21-116, the follow-up hole to HK19-115, intersected a 1-metre-wide band of unaltered graphitic diorite gneiss that explained the EM conductor. No anomalous alteration or radioactivity was encountered.
- The Sabre Target Area remains prospective near hole HK19-105, and north of HK21-118 towards historic hole HK-02 that encountered extensive graphitic shearing associated with anomalous radioactivity. These Sabre area drill targets will be prioritized with targets previously identified along the Carter Corridor and the "U" Conductor.

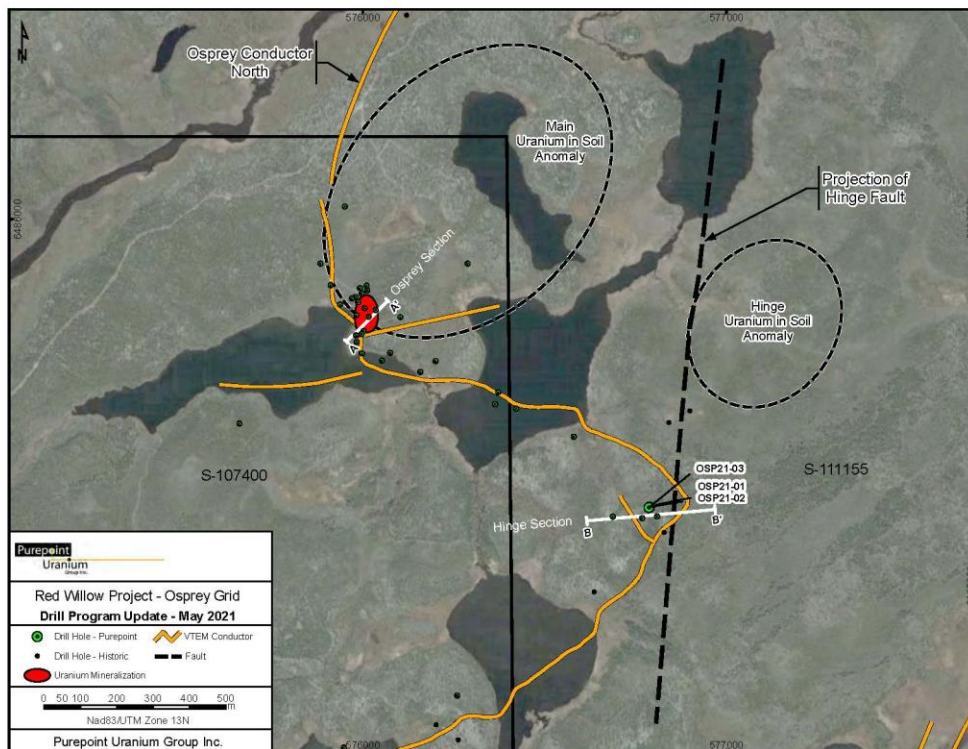
### 2021 Spring Drill Program at Red Willow

On May 20, 2021 Purepoint announced the commencement of a drill program focusing on two target areas at its Red Willow project; the Osprey Zone and the Geneva Zone.

The Red Willow program began with follow-up drilling within the Osprey Zone with three holes collared approximately one kilometre WSW of Purepoint's hole RW-13 that intersected 0.12% U3O8 over 4.2 metres. The RW-13 intercept, and the more easterly RW-07 intercept of 0.20 eU3O8 over 5.8 metres, are associated with strong hydrothermal alteration at a depth of 60 to 70 metres below surface. The weakly radioactive "Hinge fault", intersected in 2010, was also shown to be associated with strong hydrothermal alteration and therefore a possible conduit for fluids carrying uranium. Hydrothermal fluids are responsible for the presence of clay, hematite and silicification.

Drilling targeted the Hinge fault towards the north with three holes averaging 200 metres in length. An initial short step-out allowed the strike of the structure to be determined prior to attempting larger step-outs. Two drill holes completed on the same section, OSP21-01 and 02, both successfully intersected the fault at 70 and 140 metres below surface, respectively. The structure was determined to have a strike of 5 degrees NE and was still associated with strong alteration; however, the radioactivity was weaker.

Hole OSP21-03 targeted the projection of the Hinge Fault where it meets the east-west trending electromagnetic (EM) conductor that hosts the known Osprey uranium mineralization. The fault was intersected from 60 to 75 metres downhole with the host rock comprised of weakly chlorite and hematite altered pyritic graphitic pelitic gneiss. The fault at this location included intervals of strong silicification and again returned weak radioactivity. The new projection of the Hinge fault appears to be just west of the uranium-in-soil anomaly located to the north and it may be responsible for the elongate shape of the nearby lake.



On June 22, 2021, the Company announced the completion of follow-up drilling within the Geneva Zone with three holes collared SW of Eldorado Resources' 1984 hole RAD-27 that intersected 0.22% U<sub>3</sub>O<sub>8</sub> over 1.0 metres. The RAD-27 intercept was associated with strong hydrothermal alteration and graphitic shearing at a depth of 100 metres below surface. Highly anomalous radon-in-water results, discovered by Gulf Minerals Canada in 1971, are located 1.0 kilometre east-northeast of the 2021 drilling and the source remains unknown.

The three 2021 holes that targeted the Geneva Shear averaged 245 metres in length with a total of 729 metres being completed from the same drill pad. The holes targeted the shear zone at various depths and all successfully intersected the mineralized structure. The Athabasca Sandstone in this area is typically found to be 80 metres thick and the paleoweathering of the basement rocks extends a further 50 metres below the unconformity.

The initial hole, GEN21-03, intersected the Geneva Shear within the zone of paleoweathering, and returned an average of 520 counts per second (cps) over 6.1 metres from the downhole gamma probe starting at a downhole depth of 131.8 metres. The downhole survey returned a maximum of 1,160 cps. Graphite is considered to have been originally present but since destroyed by paleoweathering. The follow-up hole, GEN21-04, intersected the shear much deeper at 278 metres and returned an average of 515 cps over 1.6 metres from the downhole survey. Since the handheld scintillometer indicates that a percentage of the radioactivity is attributed to thorium, an eU<sub>3</sub>O<sub>8</sub> result has not been attempted.

The third hole, GEN21-05, intersected the Geneva shear just below the basement paleoweathering zone starting at a depth of 155 metres. Radioactivity was associated with Pelitic Gneiss that displayed strong hydrothermal alteration, including hematite and local silicification, and was situated near the upper contact of a graphitic/pyritic shear zone. The downhole gamma survey returned an average of 1,420 cps over 7.3 metres with a maximum count of 5,175 cps.

#### Assay Results

Hole ID	From (m)	To (m)	Interval (m)	U (ppm)	U <sub>3</sub> O <sub>8</sub> (%)
GEN21-03	135.5	138.9	3.4	31	0.004
	148.0	154.3	6.3	15	0.002
GEN21-04	273.5	282.1	4.6	29	0.003
GEN21-05	157.0	162.5	5.5	98	0.012
<b>Including</b>	<b>160.7</b>	<b>162.5</b>	<b>1.8</b>	<b>127</b>	<b>0.015</b>
	177.4	177.8	0.4	527	0.062
OSP21-01	114.0	114.3	0.3	42	0.005
OSP21-02	73.5	88.8	15.3	10	0.001
	121.9	126.0	3.4	14	0.002
OSP21-03	66.0	67.7	1.7	23	0.003

#### 2021 Spring Drill Program at Umfreville

On August 31, 2021, Purepoint announced the results of drilling at its 100% owned Umfreville project. Being the first drill program on this project, the plan consisted of an initial exploratory diamond drill hole designed to gain a better understanding of the underlying geology and to further evaluate and prioritize the project's potential for discovery.

The initial hole by Purepoint at the Umfreville project, UMF21-01, tested an east-west-trending gravity low response that is coincident with both a magnetic low response and a uranium-in-soil anomaly. The unconformity was intersected 223 metres downhole and the basement rocks

consisted of granitic gneiss and pelitic gneiss. Elevated radioactivity was intersected near the base of the paleoweathering returning 36 parts per million uranium over 17.4 metres between 239.1 and 256.5 metres. A second radioactive intercept, starting at 273 metres downhole, returned 107 ppm U over 3.1 metres and included 304 ppm U over 0.8 metre.

Based on the results, a follow-up hole has been proposed east of UMF21-01 where interpreted north-south-trending structures appear to be crosscutting the company's strong elongate gravity/magnetic low response. Also, based on initial results, additional property has been staked to the south and east enlarging the project to 26,139 hectares.

#### Assay Results

Hole ID	From (m)	To (m)	Interval (m)	U (ppm)	U3O8 (%)
UMF21-01	239.1	256.5	17.4	36	0.004
	273.4	276.5	3.1	107	0.013
Including	<b>273.8</b>	<b>274.6</b>	<b>0.8</b>	<b>304</b>	<b>0.036</b>
	299.0	300.9	1.9	20	0.002

#### Project portfolio

##### *Hook Lake Project - Joint Venture with Cameco Corp and Orano Canada Inc.*

The Company entered into a definitive joint venture agreement with Cameco Corporation and Orano Canada Inc. (formerly AREVA Resources Canada Inc.) for the ongoing exploration of the Hook Lake uranium project in the Athabasca Basin pursuant to its option agreement with Cameco announced February 7, 2007.

Under the original option agreement, Purepoint acquired a 21% interest in the Hook Lake project. The remaining 79% of the project is owned by Cameco Corporation (39.5%) and Orano Canada Inc. (39.5%).

Located along the Patterson Uranium District, the Hook Lake JV has been operated by Purepoint since 2007. The project resides along-strike and adjacent to two of the world's largest, high-grade uranium deposits. It consists of nine claims totaling 28,683 hectares including the Spitfire high-grade discovery (53.3% U3O8 over 1.3 metres within a 10-metre interval of 10.3% U3O8).

##### *Smart Lake Project - Joint Venture with Cameco Corp*

The Company entered into a definitive joint venture agreement with Cameco Corp. for the ongoing exploration of the Smart Lake uranium project in the Athabasca Basin pursuant to its option agreement with Cameco announced February 7, 2007.

The Smart Lake property includes two claims with a total area of 9,800 hectares situated in the southwestern portion of the Athabasca Basin, approximately 60 km south of the former Cluff Lake mine.

Depth to the unconformity, where it occurs, is relatively shallow at less than 350 metres.

Aeromagnetic and electromagnetic patterns at Smart Lake reflect an extension of the patterns underlying the Shea Creek deposits (max. grade of 58.3% U3O8 over 3.5 m) 55 km north of the



property. Exploration by Purepoint and Cameco has firmly established the presence of uranium mineralization, hydrothermal alteration and the location of a number of basement electromagnetic conductors never drill tested.

During 2008, Purepoint's initial drill hole SMT08-01 intersected a weakly radioactive structure that displayed the strongest radioactivity returned from a tension fracture in SMT08-06 assaying 1,600 ppm U over 0.1 metre.

Known uranium mineralization at the Smart Lake project is associated with a steeply dipping, north-northwest striking, and hydrothermally altered, graphitic-shear zone. The strongest radioactivity returned from the conductor is 127 ppm U over 13.3 metres in hole SMT08-01. A geochemical signature is associated with the uranium mineralization and includes the enrichment of nickel, arsenic, and cobalt. A flat-lying, radioactive tensional fracture zone extends westward from the graphitic shear and returned 1,600 ppm U over 0.1 metre.

#### ***Red Willow Project - 100% Owned***

The 100 % owned Red Willow property is situated on the eastern edge of the Athabasca Basin in Northern Saskatchewan, Canada and consists of 17 mineral claims having a total area of 40,116 hectares. The property is located close to several uranium deposits including Orano Resources Canada Inc.'s mined-out JEB deposit, approximately 10 kilometres to the southwest, and Cameco's Eagle Point deposit that is approximately 10 kilometers due south.

Geophysical surveys conducted by Purepoint at Red Willow have included airborne magnetic and electromagnetic (VTEM) surveys, an airborne radiometric survey, ground gradient array IP, pole-dipole array IP, fixed-loop and moving-loop transient electromagnetics, and gravity. The detailed airborne VTEM survey provided magnetic results that are an excellent base on which to interpret structures while the EM results outlined over 70 kilometers of conductors that in most instances represent favourable graphitic lithology. A total of twenty-one conductive zones have been identified as priority exploration targets of which only seven have been subject to first pass drilling.

#### ***Turnor Lake Project - 100% Owned***

The Turnor Lake project is 100% owned by Purepoint and includes five claims with a total area of 9,705 hectares situated in the eastern plane of the Athabasca Basin. Depth to the unconformity is shallow at approximately 180 metres.

The property covers known graphitic conductors that are associated with uranium showings on adjoining properties, namely Orano Canada Inc.'s Alligator prospect (3.8 per cent U<sub>3</sub>O<sub>8</sub> over 10.5 m in hole WF-08), Cameco Corp.'s La Rocque showing (29.9 per cent U<sub>3</sub>O<sub>8</sub> over 7.0 m) and, most recently, IsoEnergy Ltd.'s Hurricane zone, which has reported results of 38.8 per cent U<sub>3</sub>O<sub>8</sub> over 7.5 m (press release dated Dec. 1, 2020).

The project lies in close proximity to several uranium deposits including Roughrider, Midwest Lake, and McClean Lake.

#### ***Henday Project - 100% Owned***

The 100% owned Henday Lake property is 1,029 hectares in size and consists of 2 claims. This property is located nine kilometres northwest of Orano's Midwest Lake deposit (41 million lbs. U<sub>3</sub>O<sub>8</sub>) and ten kilometers west of Rio Tinto's Roughrider Deposit (57 million lbs. U<sub>3</sub>O<sub>8</sub>).

Only one drill hole is known to have been previously drilled on Purepoint's Henday property. Hole HLH8-71 was drilled by Cogema Resources (now Orano Canada Inc.) in 1998 and encountered a

steeply dipping, strongly graphitic fault gouge at the bottom of the hole. The claims rest within a magnetic low believed to represent pelitic basement rocks, a typical host rock for economic uranium mineralization. The depth to basement is locally less than 350 metres.

The Henday Lake property falls within the Mudjatik-Wollaston Tectonic Zone, a northeast trending structural zone along the eastern margin of the Basin. The Mudjatik-Wollaston Tectonic Zone is the NE trending high strain tectonic zone marking the boundary between the Archean gneisses and granitoids of the Mudjatik Domain to the west and Archean gneisses, metasediments, and pegmatite intrusions of the Wollaston domain to the east. All of the operating uranium mines in Canada are located along this trend.

### ***Umfreville Project - 100% Owned***

Originally covering over 60,000 hectares, the Umfreville Project has been refined to the most prospective target areas using results from airborne gravity, magnetic and electromagnetic surveys. The project sits on the North-East rim of the Athabasca Basin and lies over a series of cross-cutting faults which are typical mineralization settings. Geophysical signatures interpreted as being representative of hydrothermal alteration coincident with anomalous uranium-in-soil geochemistry have been isolated. The Umfreville Property covers approximately 26,139 hectares and consists of ten mineral claims.

Prior to the initial drill hole at Umfreville being completed by Purepoint during June, 2021, the property had undergone a broad array of geophysical and geochemical surveys to delineate high value exploration targets. Initial work in 2005 consisted of a MEGATEM electromagnetic and magnetic survey flown by Fugro Airborne Surveys and the data then processed using a layered-earth inversion program by Condor Consulting. In 2007, Bell Geospace conducted an airborne full tensor gravity gradiometry survey over the property which supported fault systems previously interpreted from magnetic features. During 2010, Terraquest Ltd. flew a High Resolution Aeromagnetic Gradient and XDS VLF-EM Survey over the property providing higher detailed fault and lithologic contact interpretations. Utilizing CAMIRO techniques (a three-year research study utilizing field samples collected from the areas overlying the McClean Lake, Cigar Lake West and Dawn Lake uranium deposits in Saskatchewan's Athabasca Basin), a systematic geochemical survey was conducted across the property during 2011 with the best geochemical response being returned from the Perching Zone. Infill geochemical sampling was conducted over the Perching Zone during 2012 and 2014.

### ***Additional Projects - 100% Owned***

The Company also holds 6 additional projects acquired in 2021 through staking. These early-stage uranium projects reside in northern Saskatchewan and will be the subject of preliminary review and surveying this year. They are Carson Lake, Russell South and four projects outside the South West area of the Athabasca Basin referred to as the Tabbernor Block.

## **Liquidity and capital resources**

At September 30, 2021, the Company had a working capital surplus of \$4,402,205, compared to a surplus of \$2,008,552 as at December 31, 2020. The increase is attributed to private placement financing completed in April 2021.

The Company's sources of capital at present consist of cash on hand, exercise of options and warrants, sale of assets, joint venture financings and public equity raise. Assuming that ongoing capital raise, operations and exploration activity are consistent with recent activity levels management believes that cash on hand is adequate to fund ongoing operations through the next year.

## Lease commitments

The Company adopted IFRS 16 effective January 1, 2019 with respect to its office in Saskatoon, using the modified retrospective approach. As a result, comparative information has not been restated and is accounted for under IAS 17, Leases. Upon transition to IFRS 16 on January 1, 2019, the Company recognized right-of-use asset and initial lease liability totalling \$137,637. The lease liability has a remaining term of 4 years and is discounted at a rate of 13.95%.

	For the nine-month period ended	
	September 30,	
	2021	2020
Lease liability at the beginning of the year	\$ 77,423	\$ 108,759
Less: Lease accretion	(26,549)	(23,073)
Lease liability at the end of period	50,874	85,686
Less: Current portion	(39,984)	(34,812)
Lease liability - long term	\$ 10,890	\$ 50,874

## Critical accounting estimates

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial consolidated statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

## Off-balance sheet arrangements

The Company had no off balance sheet arrangements as at September 30, 2021 or December 31, 2020.

## Financial instruments and other instruments

The Company had no financial instruments other than accounts receivable, accounts payable and accrued liabilities, advances from projects and lease liability as at September 30, 2021 and December 31, 2020.

## Outstanding share data

### *Common Shares:*

The Company has authorized an unlimited number of common shares, with no par value, of which 333,233,468 shares are issued and outstanding as of the date hereof.

### *Share Purchase Warrants:*

As of the date hereof, 87,732,493 share purchase warrants (including finder's compensation warrants) were outstanding.

### *Employee Stock Options:*

As of date hereof, 23,200,000 options were outstanding under the Company's stock option plan for employees, directors, officers and consultants of the Company.

On May 13, 2021 the Company granted 8,400,000 stock options at an exercise price of \$0.13 per option, vesting immediately. On April 27, 2020 the Company granted 6,650,000 stock options at an exercise price of \$0.07 per option, vesting immediately. In the six-month period ended June 30, 2021, 550,000 options of former employees and consultants expired and were cancelled. After June 30, 2021, further 250,000 options of former employees expired and were cancelled.

### *Private placements*

On April 7, 2021 the Company closed its brokered private placement with Red Cloud Securities Inc.

In connection with the closing, the Company issued 20,404,095 flow-through units ("FT Units") at a price of \$0.105 per unit and 31,750,778 hard-dollar units ("Units" together with the FT Units are hereinafter referred to as the "Offered Securities") at a price of \$0.09 per unit for aggregate gross proceeds of \$5,000,000. Each Unit consists of one common share in the capital of the Company and one common share purchase warrant (each, a "Warrant"). Each FT Unit consists of one common share in the capital of the Company (each, a "Flow-Through Share") issued on a "flow through" basis pursuant to the Income Tax Act (Canada) and one half of one Warrant. Each Warrant entitles its holder to purchase one common share in the capital of the Company at an exercise price of \$0.13 per share for a period of 24 months from the date of issuance. The closing is subject to final acceptance by the TSX Venture Exchange of the Private Placement. In connection with the closing of the Private Placement, the Company has paid Red Cloud and a member of the selling group cash commissions in the aggregate amount of \$342,650 and issued to Red Cloud 3,569,174 non-transferrable compensation warrants ("Broker Warrants") with each Broker Warrant exercisable to purchase one common share of the Company at a price of C\$0.105 per share for a term of 24 months following the Closing Date.

The net proceeds raised from the sale of Units will be used for the exploration and advancement of the Company's projects in the Athabasca Basin in Saskatchewan and for general working capital purposes. The gross Proceeds from the sale of Flow-Through Shares will be used to incur "Canadian exploration expenses" as defined in subsection 66.1(6) of the Income Tax Act and "flow through mining expenditures" as defined in subsection 127(9) of the Income Tax Act. Such proceeds will be renounced to the subscribers with an effective date not later than December 31, 2021, in the aggregate amount of not less than the total amount of gross proceeds raised from the issue of Flow-Through Shares.

All securities issued in connection with the closing of the Private Placement are subject to a four-month hold period pursuant to the applicable securities laws with an expiry date of August 8, 2021.

On October 22, 2020, the Company closed its non-brokered private placement for gross proceeds of \$275,000.

In connection with the private placement, the Company issued 5,500,000 units at a price of \$0.05 per unit. Each unit consists of one common share in the capital of the Company and one common share purchase warrant. Each warrant entitles its holder to purchase one common share in the capital of the Company at an exercise price of \$0.08 per share for a period of 24 months from the date of issuance. In connection with the private placement, the Company paid finders' fees consisting of \$10,850 plus applicable taxes in cash and issued 217,000 non-transferrable compensation warrants. Each compensation warrant entitles its holder to purchase one common share in the capital of the Company at an exercise price of \$0.08 per share for a period of 24 months after the date of issuance.

On December 18, 2020, the Company closed its non-brokered private placement for aggregate gross proceeds of \$1,925,400.

In connection with the private placement, the Company issued 30,170,000 flow-through units and 8,338,000 hard-dollar units, both at a price of \$0.05 per unit. Each flow-through unit consists of one common share in the capital of the Company issued on a "flow through" basis pursuant to the Income Tax Act (Canada) and one common share purchase warrant. Each hard-dollar common share unit consists of one common share in the capital of the Company and one common share purchase warrant. Each warrant entitles its holder to purchase one common share in the capital of the Company at an exercise price of \$0.08 per share for a period of 24 months from the date of issuance.

In connection with the closing of the private placement, the Company paid certain finders' fees consisting of \$58,620 in cash and 1,214,400 non-transferable compensation warrants. Each compensation warrant entitles its holder to purchase one common share in the capital of the Company at an exercise price of \$0.08 per share for a period of 24 months after the closing date.

## Related party transactions

Related parties include the Board of Directors, officers, close family members and enterprises which are controlled by these individuals as well as certain persons performing similar functions.

The aggregate compensation of key management and directors of the Company for the three- and nine-month periods ended September 30, 2021 and 2020 was as follows:

	2021		2020	
	Three months	Nine months	Three months	Nine months
Remuneration	\$ 99,646	\$ 289,962	\$ 70,558	\$ 237,058
Share-based payments	\$ -	\$ 914,890	\$ -	\$ 402,565

The Company did not enter into any other significant related party transactions during the year.

## Proposed transactions

Management periodically enters into informal discussions with prospective business partners in the normal course of business. However, management does not believe that any of these discussions constitute proposed transactions for the purpose of this report.

## Other matters

### *Risk Factors*

Each of Purepoint's uranium properties is at a grassroots stage of exploration and development. Further development of Purepoint's current properties is contingent upon obtaining satisfactory exploration results. Mineral exploration and development involves substantial expenses and a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to adequately mitigate.

*Signed: "Chris Frostad"*

Chris Frostad  
President & Chief Executive Officer

*Signed: "Ram Ramachandran"*

Ram Ramachandran  
Chief Financial Officer